

MR. SPEAKER.—Order, Order.

(*Interruption*).

Order, Order.

There is no question of privilege in it. We will go to the other work.

PAPERS LAID ON THE TABLE.

SRI R. M. PATIL (Minister for Municipal Administration).—Sir, I beg to lay on the Table, the Annual Financial Statement (Budget) for the year 1966-67 (Revised for 1965-66) of the Bangalore water Supply and Sewerage Board as required under section 17 (3) of the Bangalore Water Supply and Sewerage Act, 1964.

MR. SPEAKER.—The financial Statement is laid on the table.

STATEMENT OF THE MINISTER FOR PUBLIC WORKS.

re: Introduction of Arbitration Clause in the P. W. Contracts.

†SRI VEERENDRA PATIL (Minister for Public Works).—Sir, I wish to make a statement on the clarification sought by Hon'ble Sri Siddaveerappa :

Hon'ble Sri H. Siddaveerappa, during the course of debate on the Motion of Thanks in the Legislative Assembly on 20th and 21st March 1967 sought clarification (1) as to the period of introduction of Arbitration Clause in the contract agreement in respect of major works; and (2) as to the period when the major works were entrusted to the contractor.

After verification of the records, it was found that the accepted practice in the State upto 1959 was to execute all major works departmentally. To quote a few instances, the works at K. R. S., Hulikere Tunnel, Tunga Channel Tunnel, Shimoga, and the Bhadra Reservoir masonry dam works, Tunga Masonry dam works and all other component works on these projects were executed departmentally.

The entrustment of major works to the contractors replacing the accepted practice of executing them departmentally and the introduction of the arbitration clause in the contract agreement in the form which proved not conducive to the interest of Government were introduced in the year 1959. The singular departure from the accepted practice of executing major works departmentally was of entrusting the Bhadra